

September 19, 2014

***Ex Parte Notice***

Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

**Re: *Connect America Fund, WC Docket No. 10-90; High-Cost Universal Service Support, WC Docket No. 05-337***

Dear Ms. Dortch:

On Tuesday, September 16, 2014, the undersigned, on behalf of Kansas Rural Independent Telecommunication Coalition (KRITC), participated in the Kansas Telecommunications Summit with Commissioner Michael O’Rielly and Amy Bender, legal advisor to Commissioner Michael O’Rielly in attendance.

During the Summit, we participated on a panel and presented the KRITC views on updates to the high-cost universal service programs. KRITC’s positions with respect to these matters as expressed at the Summit support ensuring reasonable, measured growth in the high-cost universal service budget over time to meet demands, the importance of replacing the QRA with a distribution mechanism which results in predictable, sufficient and identifiable high cost support for rural rate of return companies, contributions reform and unsubsidized competitor overlap considerations. Copies of the prepared version of Mr. Boisvert’s remarks were provided to the Commissioner and Ms. Bender, and have been included with this filing.

Thank you for your attention to this correspondence. Pursuant to Section 1.1206 of the Commission’s rules, a copy of this letter is being filed via ECFS.

Sincerely,

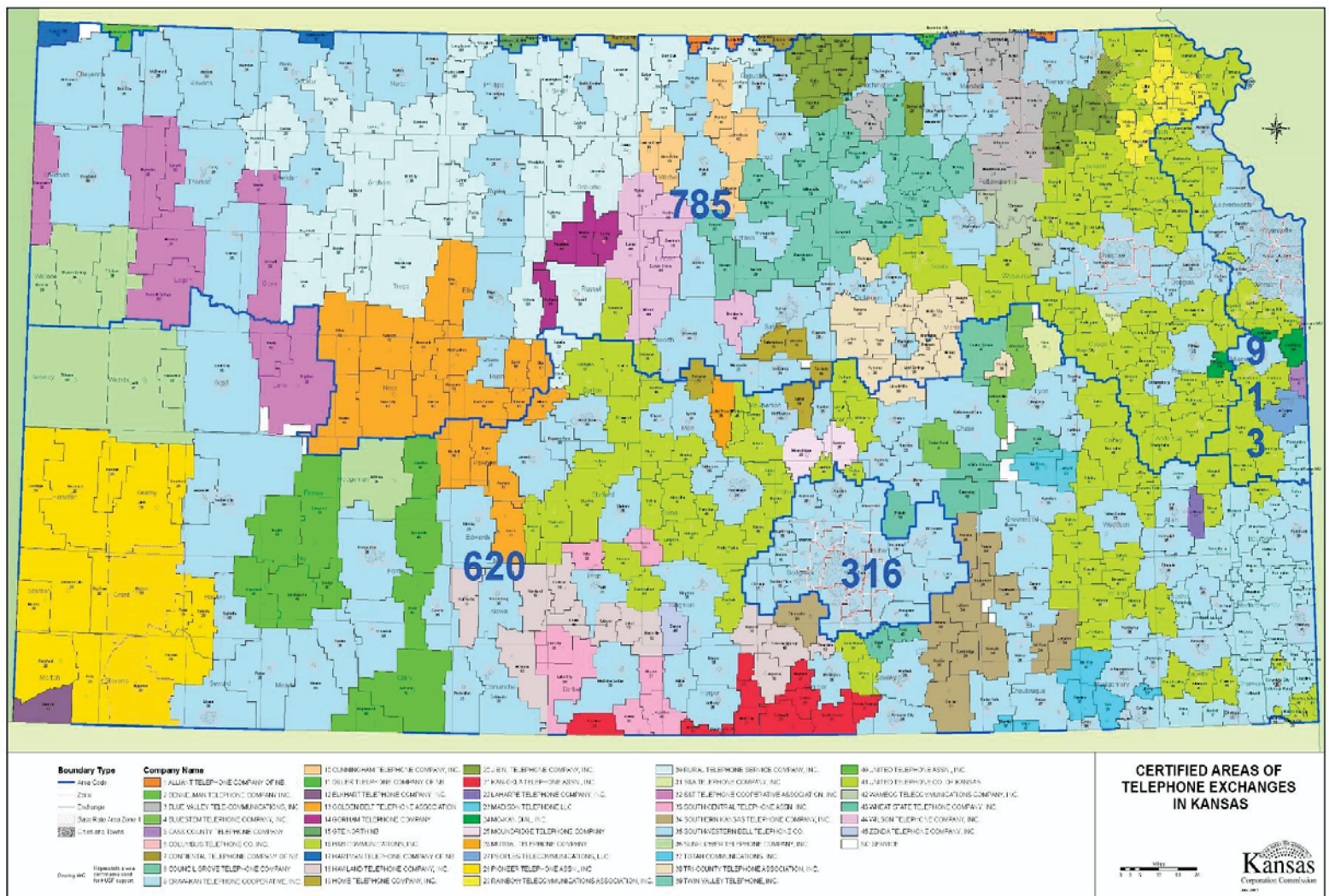
Brian J. Boisvert  
Catherine Moyer

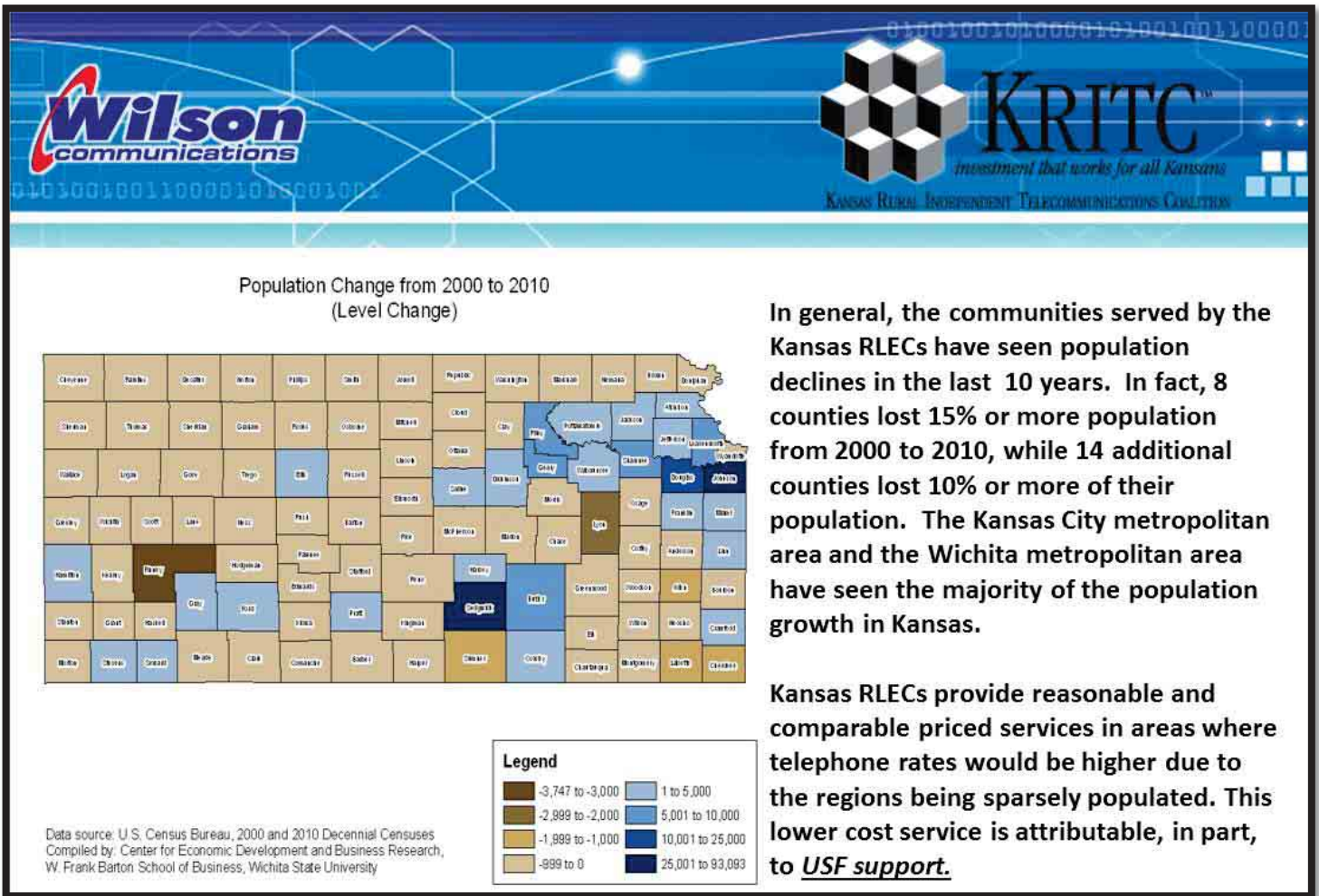
cc: Commissioner Michael O’Rielly  
Amy Bender

Mr. Commissioner, Representative Sloan and Councilman Huckaba, I am Brian Boisvert, CEO and General Manager of Wilson Communications. Thank you for the opportunity to share with you the views of the Kansas Rural Independent Telephone Companies relative to broadband deployment throughout rural Kansas.

The Kansas Rural Independent Telephone Coalition (KRITC) support the overall goals of the National Broadband Plan. The KRITC have and continue to build robust, high quality networks providing economic opportunity for the very rural areas we serve. Our networks are capable of providing advanced services as envisioned in both the federal and state telecommunications acts.

## 36 Independent Telephone





In general, the communities served by the Kansas RLECs have seen population declines in the last 10 years. In fact, 8 counties lost 15% or more population from 2000 to 2010, while 14 additional counties lost 10% or more of their population. The Kansas City metropolitan area and the Wichita metropolitan area have seen the majority of the population growth in Kansas.

Kansas RLECs provide reasonable and comparable priced services in areas where telephone rates would be higher due to the regions being sparsely populated. This lower cost service is attributable, in part, to USF support.

We understand the direct connection between affordable access to ever improving broadband networks and economic development for small, rural communities. After all, we live and work in these communities. We see firsthand the direct link of our services and the success, and sometimes survival of these very rural communities in Kansas.

- ✓ Rural Telecommunications Companies enable goods and services to be bought and sold.
- ✓ Rural Telecommunications Companies' Broadband Services eliminate Geographic Boundaries.
  - ✓ Americans can work and live where they choose.
- ✓ Rural Telecommunication Companies provide solid employment opportunities requiring a wide range of skills.
  - ✓ IT Professionals, Accountants, Human Resources, Heavy Equipment Operators, Administration, Engineers, Management, General Laborers
- ✓ Rural Telecommunication Companies provide excellent support of their local communities.
  - ✓ Skilled volunteers and members for a variety of organizations (i.e. Chamber of Commerce, Economic Development, Local Foundations and City Council).
  - ✓ Provide scholarships to further the education of our youth.
  - ✓ Supports many non-profit organizations & activities (i.e. After-Prom, 4-H, FFA, Local Food Drives, Boy & Girl Scout Programs and American Legion Boys/Girls State Program).

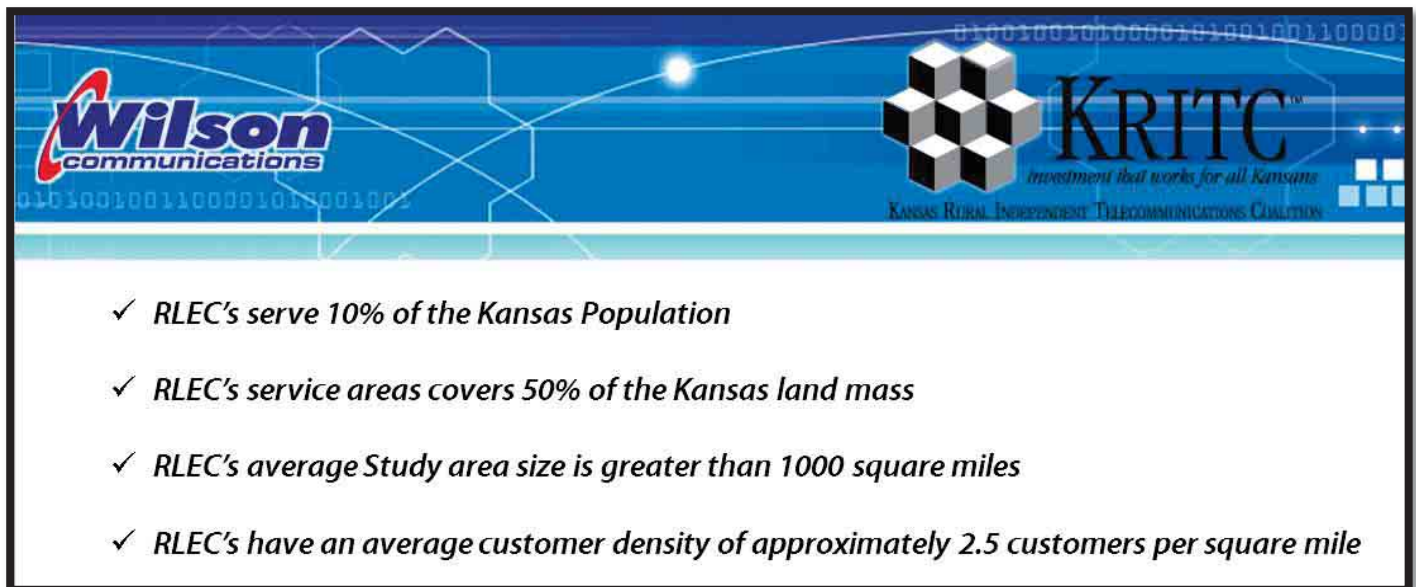


We recognize and support the need for both wireline and wireless service. We also recognize that a fiber optic based, wireline network is the only infrastructure truly capable of meeting the ever growing bandwidth needs of rural Kansans.

Providing education, healthcare and economic development opportunities to rural areas will require ever increasing broadband speeds and capacity. FTTP networks are the most cost efficient long term solution for meeting this ever growing demand. Many of my fellow KS RLEC's have made the investment in FTTP, are in progress of building these networks or have active plans for expanding their fiber networks.

- ✓ *95% of customers can receive High Speed Internet speeds of 4Mbps download and 1Mbps upload.*
- ✓ *70% of customers can receive High Speed Internet speeds of 25Mbps download and 2Mbps upload.*
- ✓ *53% of Libraries served are connected with fiber optic.*
- ✓ *81% of Schools served are connected with fiber optic.*

We have a common environment. We serve large areas where agriculture and livestock operations dominate resulting in low density populations, lack of adequate business models and high cost.



- ✓ *RLEC's serve 10% of the Kansas Population*
- ✓ *RLEC's service areas covers 50% of the Kansas land mass*
- ✓ *RLEC's average Study area size is greater than 1000 square miles*
- ✓ *RLEC's have an average customer density of approximately 2.5 customers per square mile*

Some will argue that the KUSF has served its purpose. That it is time to end this essential program. We disagree. Both the FUSF and KUSF programs are more vital than ever for supporting both the investments needed to bring broadband to rural Kansans and to sustain the ongoing long term operation of these networks.

We recognize that cost support for rural RoR carriers is now capped both at the state and federal levels. We strongly believe that a growth factor is needed for support funds. Most goods and service costs' increase over time. This is also true in the telecommunications industry. Both capital improvements and ongoing operating expense will increase. Fiber Optic cable has a reasonably long life and is one of the most "future proof" elements in the network. The electronics that facilitate the transmission of information over the fiber however have a much shorter economic life due in part to evolving technology. Support for ongoing maintenance of the network is crucial to not only provide quality service, but keeping rates affordable. Recognizing this and adopting a Universal Service fund growth factor, in our opinion, is necessary and prudent to ensure rural Kansan's and all rural Americans have access to affordable broadband.

Attaining the right mechanism by which funds are distributed is critical. As I stated before, it is essential that Universal Service Support not only recognize capital investment needed to build the network, but also the ongoing operating expense. Kansas RLEC's bring the skill, knowledge, experience and commitment to ensure these vital engines of economic development, education, healthcare and social fabric will be here for the long term serving rural Kansas. Without the proper mechanism for disbursement assuring predictable and sufficient support funds, investment in these vital networks serving the people living within these small city limits as well as those in the rural part of the counties will not keep pace with the ever growing economic and social necessity they facilitate.

It is important, no, I would say critical that we do not risk the future of rural Kansas, indeed all of rural America by straying far from time tested methods for building and maintaining the right infrastructure to keep America competitive in every walk of life. We understand the need to modernize Universal Service for broadband capable networks. The Kansas rural Telecommunications companies exhibit the commitment, experience, knowledge and drive to meet the needs of the market. We have demonstrated time and again that with Rate of Return regulation, provider of last resort responsibilities and predictable, sufficient and identifiable Universal Service support that we evolve our networks, evolve our services and evolve our employee skills to meet the challenge. Today that challenge is a broadband capable network built for current as well as future needs. There is too much at stake for our state and nation in this competitive world to risk untried or failed methods to meet the challenge before us.

Thank you.